

U.S. Department of Agriculture
Natural Resources Conservation Service

**FARMLAND PROTECTION
POLICY ACT
ANNUAL REPORT
FY 2000**

REPORT FROM THE SECRETARY OF AGRICULTURE

TO THE COMMITTEE ON
AGRICULTURE, NUTRITION, AND FORESTRY
UNITED STATES SENATE

AND

THE COMMITTEE ON AGRICULTURE
UNITED STATES HOUSE OF REPRESENTATIVES

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The FY 2000 Farmland Protection Policy Act (FPPA) Annual Report consists of three components:

- I. Progress of Federal agencies in implementing farmland protection;
- II. Review and revision of policy and procedures by Federal agencies; and
- III. Federal, State, and local efforts to protect farmland.

I. Progress of Federal Agencies in Implementing Farmland Protection

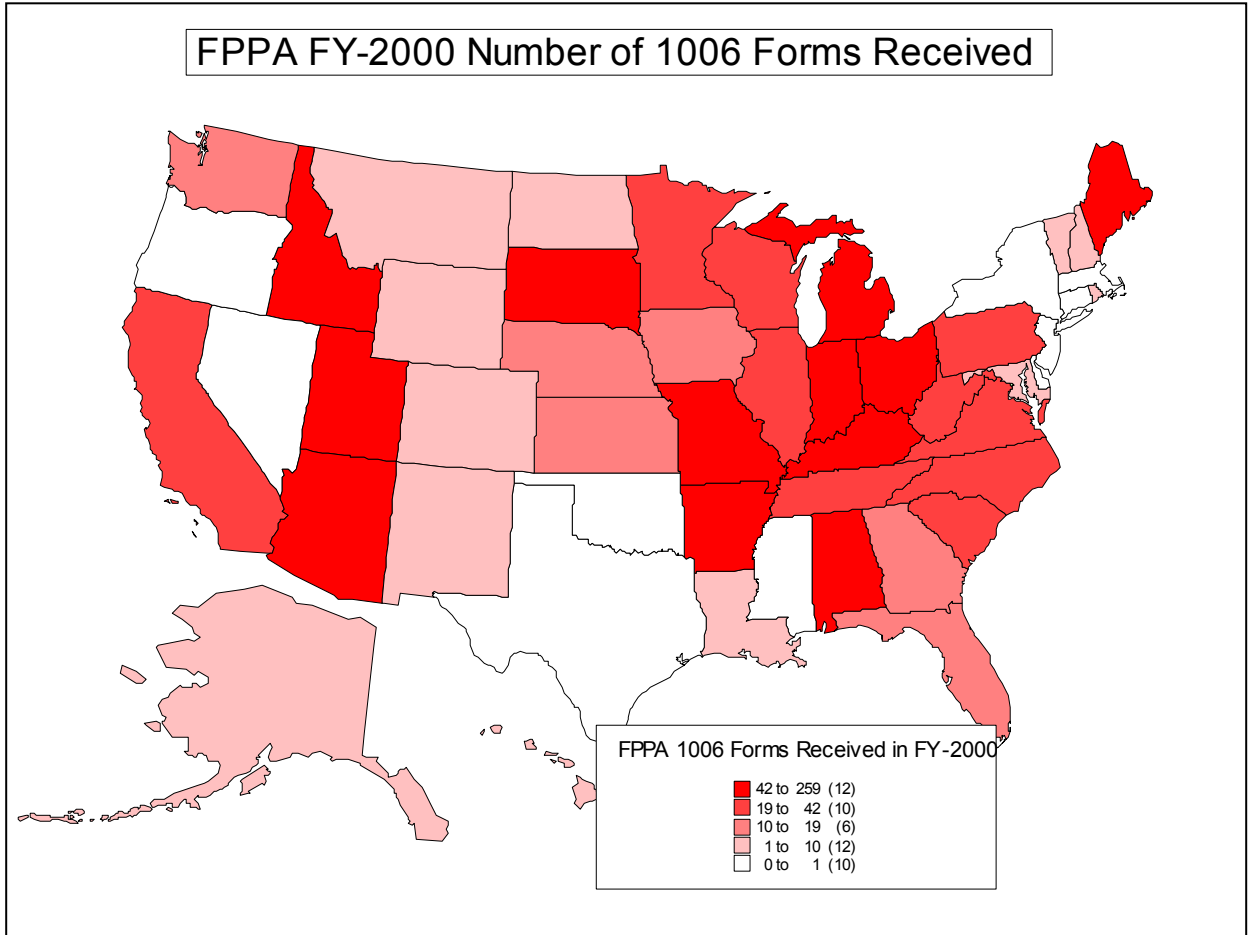
According to the final rule of the Farmland Protection Policy Act (7 CFR Part 658), Federal agencies are required to evaluate the impacts of Federally funded projects, if their proposed project sites involve converting farmlands to nonagricultural uses and to consider alternative actions that would lessen the adverse effects. The Farmland Conversion Impact Rating Sheet (Form AD-1006) is used by Federal agencies to request assistance in complying with FPPA from the Natural Resources Conservation Service (NRCS). This form is used to conduct a land evaluation and a site assessment of the project area. NRCS provides land evaluation information, while the responsible Federal agency completes the site assessment portion of the analysis. From the information submitted on form AD-1006, NRCS state offices are able to theoretically track Federal agencies' farmland protection and conversion activities in their state.

In FY 2000, 2,271 AD-1006 forms were received from over 20 Federal agencies requesting assistance to evaluate the impact of proposed conversions of farmlands from their project. The AD-1006 forms received covered farmlands from across the country (figure 1). There were a total of **250,400** acres of farmlands proposed for conversion to nonagricultural uses. Of the acres reviewed, **98,800** acres (39 percent) were prime and unique farmland, and **36,200** acres (14 percent) were State or locally important soils for a total of **135,000** acres of important farmlands (table 1).

Prime farmland is land that has the best combination of physical and chemical characteristics for producing food, feed, forage, fiber, and oilseed crops, and is also available for these uses (the land could be cropland, pastureland, rangeland, forestland, or other land, but not urban built-up land or water). Unique farmland is used for a specific high-value food or fiber crop. Generally, additional farmlands of statewide importance include those that are nearly prime farmland, and that economically produce high yields of crops when treated and managed according to acceptable farming methods. In some local areas there is concern for certain additional farmlands, even though these lands are not identified as having national or statewide importance. These farmlands are identified as “local importance” by local ordinance or adoption by local government.

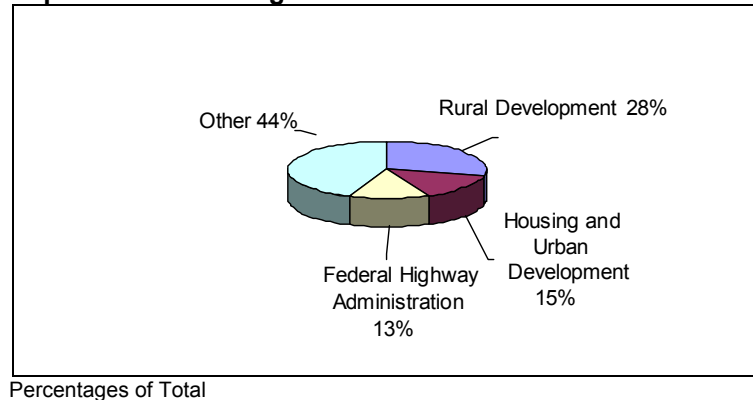
Currently, data on the total acres actually converted and the quality of such land are not collected. However, efforts such as automating form AD-1006, establishing the farmland protection policy act coordinator position, and providing updated training to NRCS professionals, will allow NRCS to more appropriately report Federal impacts on important farmlands.

Figure 1



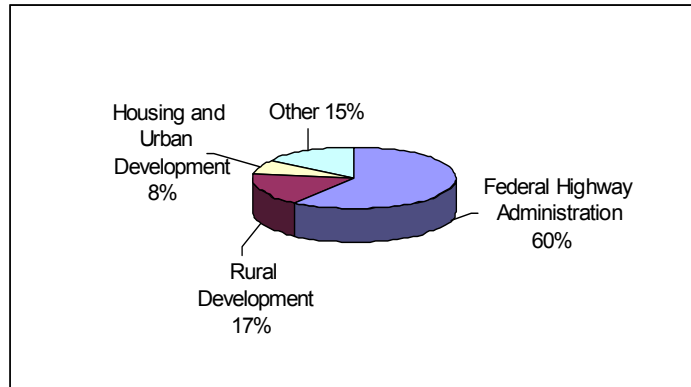
In FY 2000, the top three Federal agencies that submitted AD-1006 forms (figure 2) were: 1) Rural Development with 650 forms; 2) Housing and Urban Development with 350 forms; and 3) Federal Highway Administration with 300 forms.

Figure 2
Top Three Federal Agencies that Submitted AD-1006 Forms



The top three agencies with acres of potential conversion (figure 3) were: 1) Federal Highway Administration with 149,100 acres; 2) Rural Development with 43,600 acres; and 3) Housing and Urban Development with 20,500 acres.

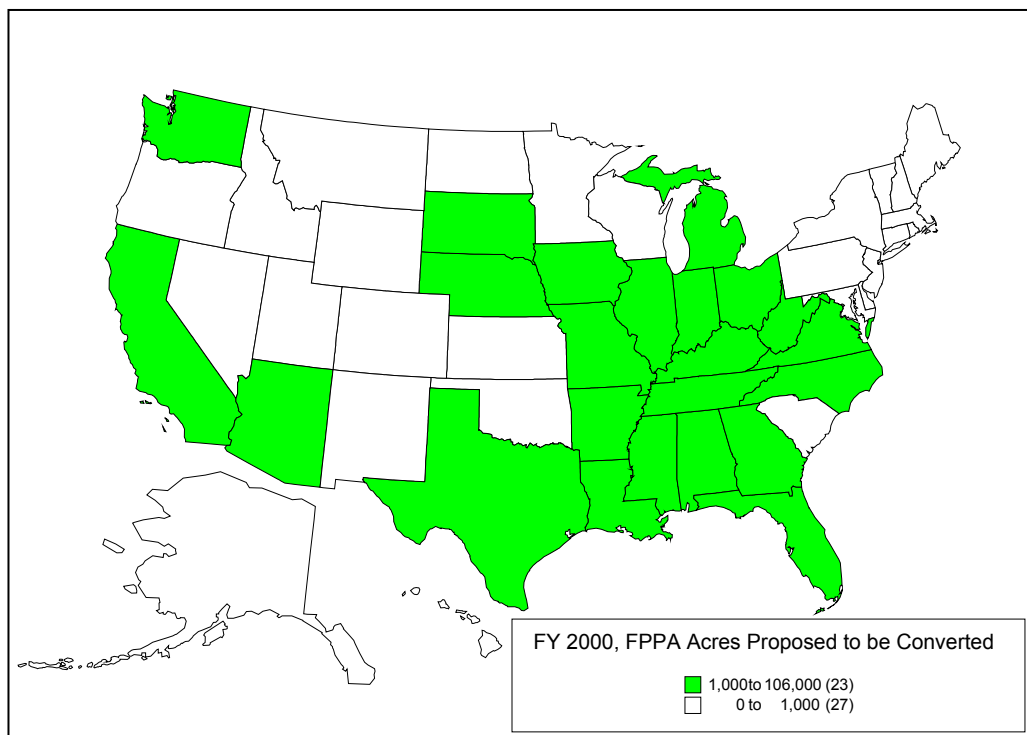
Figure 3
Top Three Federal Agencies with Acres of Potential Conversion



Percentages of Total

It is important to note that agencies reporting the largest numbers of forms or acres are not necessarily the agencies converting the most farmland. At this time, the agencies with large numbers may represent those doing the best job of reporting potential conversion activities. In addition, since forms specifying actual acres converted are not routinely returned to the NRCS office, it is not possible to assess the actual number of acres converted. The **250,400** acres of farmlands proposed for conversion covered states across the nation (figure 4).

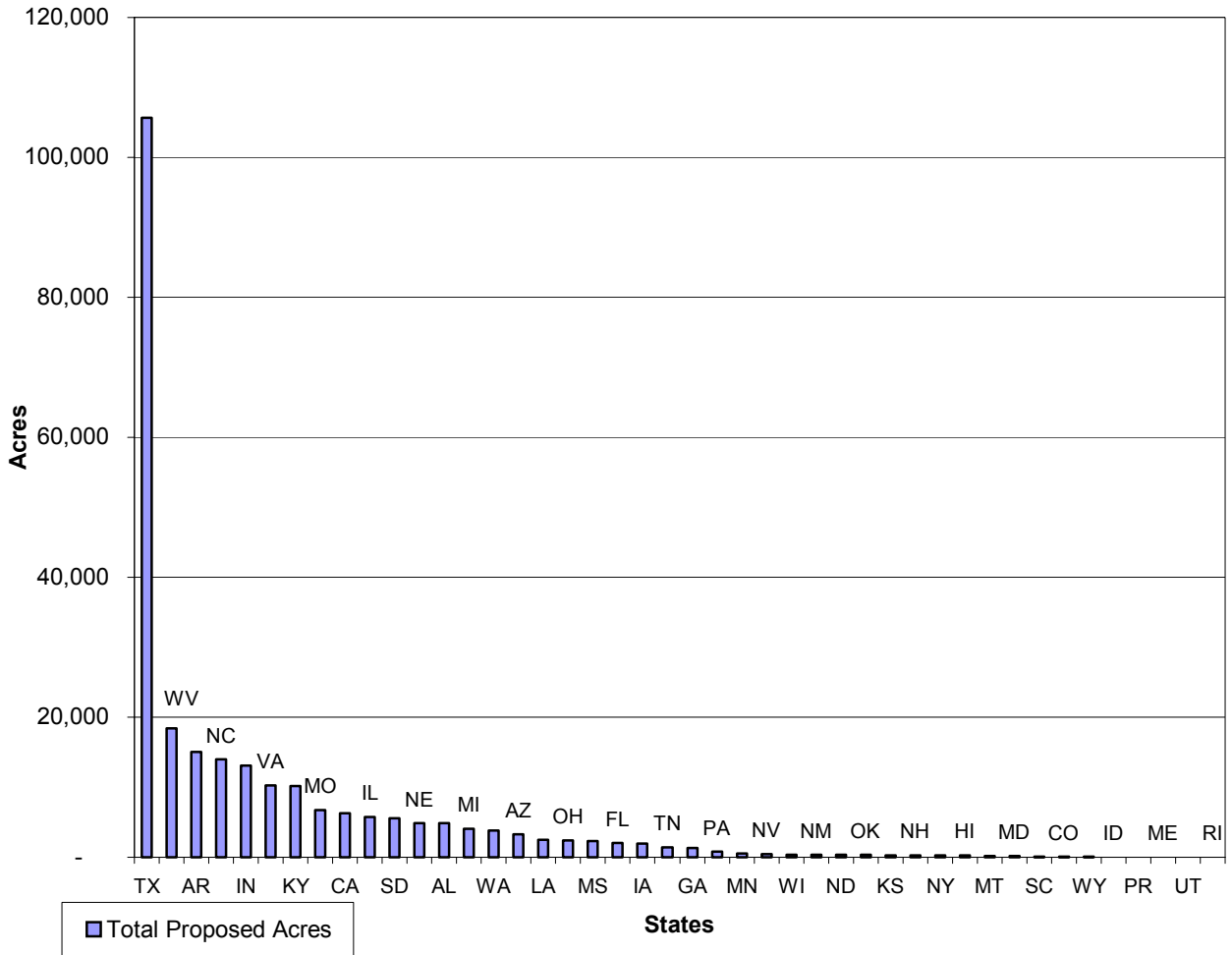
Figure 4 FY2000, FPPA Acres Proposed to be Converted



In FY 2000, the top three states with proposed acres to be converted were: 1) Texas, with 105,674 acres; 2) West Virginia with 18,181 acres; and 3) Arkansas with 15,013 acres (figure 5). The following states did not submit acres to be converted: Alaska, Connecticut, Delaware, Massachusetts, New Jersey, Oregon, and Vermont.

Figure 5

FY 2000, FPPA Total Acres Proposed to be Converted, by State



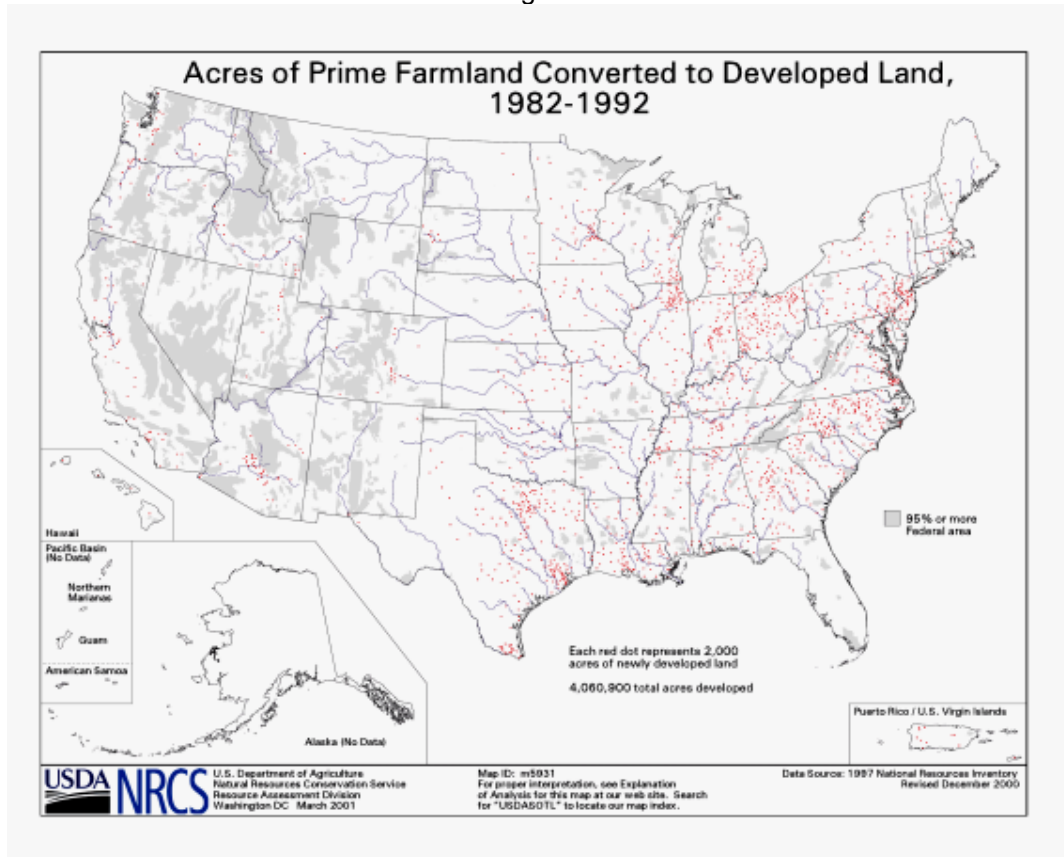
| | | | | | | | | | |
|----|--------|----|--------|----|--------|----|---------|-----------------------|--------|
| AK | - | IA | 1,990 | MN | 570 | NY | 266 | UT | 20 |
| AL | 4,589 | ID | 42 | MO | 6,765 | OH | 2,390 | VA | 10,227 |
| AR | 15,013 | IL | 5,719 | MS | 2,260 | OK | 313 | VT | - |
| AZ | 3,256 | IN | 13,131 | MT | 157 | OR | - | WA | 3,818 |
| CA | 6,270 | KS | 296 | NC | 13,989 | PA | 775 | WI | 398 |
| CO | 82 | KY | 10,199 | ND | 324 | PB | - | WV | 18,181 |
| CT | - | LA | 2,439 | NE | 4,899 | PR | 39 | WY | 46 |
| DE | - | MA | - | NH | 291 | SC | 90 | | |
| FL | 2,068 | MD | 139 | NJ | - | SD | 5,539 | TOTAL | |
| GA | 1,360 | ME | 33 | NM | 334 | TN | 1,385 | ACRES: 250,408 | |
| HI | 251 | MI | 4,035 | NV | 472 | TX | 105,674 | | |

Table 1- Breakdown of Acres and AD-1006 Forms by Federal Agencies in FY 2000

| <u>DEPARTMENT</u> | <u>AGENCY</u> | <u>Number of Corridors Evaluated</u> | <u>Prime or Unique (acres)</u> | <u>State or Locally Important (acres)</u> | <u>Other</u> | <u>Total Proposed Acres</u> | <u>No. Forms Received</u> |
|---|--|--|--|---|----------------|-------------------------------------|-----------------------------------|
| Commerce | Commerce Economic Development Admin. | 0 | 126 | 0 | 241 | 367 | 9 |
| Subtotal | | 0 | 192 | 59 | 245 | 496 | 12 |
| Defense | Corps of Engineers | 0 | 3,699 | 23 | 1,498 | 5,220 | 19 |
| Subtotal | | 0 | 3,699 | 23 | 1,498 | 5,220 | 19 |
| Interior | Bureau of Indian Affairs | 0 | 99 | 18 | 416 | 533 | 129 |
| | Bureau of Reclamation | 0 | 0 | 0 | 440 | 440 | 2 |
| | National Park Service | 0 | 232 | 9 | 119 | 360 | 2 |
| | Bureau of Land Mgmt. | 0 | 0 | 0 | 6 | 6 | 1 |
| Subtotal | | 0 | 331 | 27 | 981 | 1,339 | 134 |
| Justice | Bureau of Prisons | 1 | 481 | 224 | 1,436 | 2,141 | 14 |
| Subtotal | | 1 | 481 | 224 | 1,436 | 2,141 | 14 |
| Transportation | Fed. Aviation Admin. | 2 | 1,031 | 500 | 1,471 | 3,002 | 55 |
| | Fed. Highway Admin. | 255 | 75,302 | 23,232 | 55,686 | 154,220 | 301 |
| | Fed. Transit Admin. | 1 | 786 | 0 | 0 | 3,555 | 1 |
| Subtotal | | 258 | 77,119 | 23,732 | 57,157 | 160,777 | 357 |
| Environmental Protection Agency (EPA) | EPA | 2 | 297 | 321 | 1,750 | 2,368 | 55 |
| Subtotal | | 2 | 297 | 321 | 1,750 | 2,368 | 55 |
| Federal Emergency Management (FEMA) | FEMA | 0 | 8 | 39 | 39 | 86 | 13 |
| Subtotal | | 0 | 8 | 39 | 39 | 86 | 13 |
| Housing & Urban Development (HUD) | Fed. Housing Authority | 55 | 3,399 | 4,173 | 12,920 | 20,492 | 183 |
| | HUD | 1 | 1,267 | 516 | 2,398 | 4,181 | 366 |
| Subtotal | | 56 | 4,666 | 4,689 | 15,318 | 24,673 | 549 |
| Tennessee Valley Authority | Tennessee Valley Authority | 0 | 1,034 | 317 | 12 | 1,633 | 2 |
| Subtotal | | 0 | 1,034 | 317 | 12 | 1,633 | 2 |
| Agriculture | Forest Service | 0 | 0 | 0 | 300 | 300 | 2 |
| | Farm Service Agency | 0 | 0 | 0 | 0 | 0 | 1 |
| | Natural Resources Cons. Service | 7 | 1,567 | 474 | 1,540 | 3,581 | 252 |
| | Rural Development | 88 | 8,801 | 5,926 | 28,904 | 43,630 | 647 |
| | Rural Electric Assoc. | 2 | 7 | 2 | 52 | 61 | 20 |
| | Rural Utilities Service | 27 | 386 | 209 | 2,580 | 3,175 | 171 |
| Subtotal | | 124 | 10,761 | 6,611 | 33,376 | 50,747 | 1,093 |
| FEDERAL AGENCIES | OTHER | 4 | 189 | 156 | 582 | 927 | 24 |
| Subtotal | | 4 | 189 | 156 | 582 | 927 | 24 |
| TOTAL | | 445 | 98,777 | 36,198 | 112,394 | 250,407 | 2,271 |
| TOTAL ACRES OF IMPORTANT FARMLAND: 134,975 | | | | | | | |

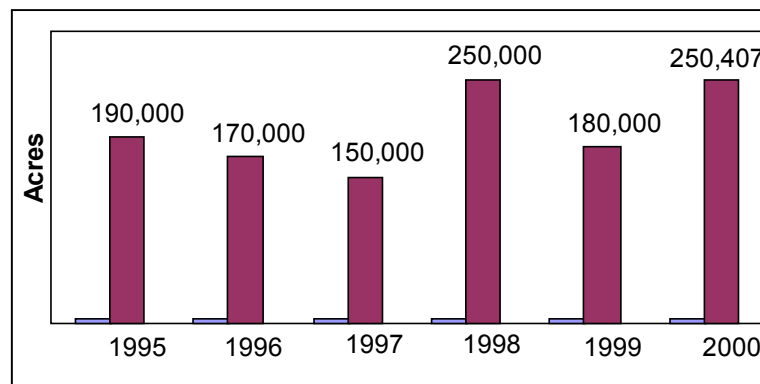
According to the USDA Natural Resources Inventory (NRI) data from 1982-1992 over 4 million acres of prime farmlands were converted to developed land (figure 6).

Figure 6



Based on reported information from 1995-2000; Federal proposals affecting important farmlands were greater in FY 2000 than reported in FY 1998 and FY 1999 (figure 7). At the request of Federal agencies, 250,000 acres in FY 1998 and 180,000 acres in FY 1999 were reviewed. In FY 2000, acres reviewed climbed to 250,407 acres. NRCS believes this steep climb in acres reviewed would have been less acute because confusing policy guidance issued during 1999 led many in and outside of NRCS to believe that portions of the FPPA were no longer in effect. This resulted in fewer 1999 submissions and fewer acres reported to be converted. NRCS has taken action to clarify the policy in FY 2000.

Figure 7 Acres Reviewed for Potential Conversion, 1995-2000



II. Review and revision of policy and procedures by Federal agencies

In order to address the many issues related to land use and land use protection, NRCS created a Farmland Protection and Community Planning Staff during the fall of 2000. The Staff's purpose is to develop and implement agency farmland protection and community planning policy. Since its inception, the staff has been gathering implementation feedback from Federal agencies on how to improve the program. In addition, the staff is developing training materials on FPPA and the Land Evaluation and Site Assessment (LESA) system for internal and external use. Finally, NRCS is producing fact sheets for distribution to the public and computerizing the LESA process.

In September 2000, the U.S. General Accounting Office (GAO) produced a report titled *Community Development Local Growth Issues -Federal Opportunities and Challenges*. The report highlighted how the FPPA is misunderstood and lacks the effective resources and wording to enforce the underlying principle of lessening the extent to which Federal programs contribute to the unnecessary and irreversible conversion of farmland (GAO, 2000, p. 26). The GAO report followed a 1999 GAO report titled *Community Development: Extent of Federal Influence on "Urban Sprawl" Is Unclear*. In the 1999 report incorrect information was provided which stated that there is "no guidance for choosing a less damaging alternative and no incentives for doing so." This report also stated that "the Farmland Protection Policy Act does not require agencies to select alternatives that lessen the impact of Federal activities on farmland" (GAO, 1999, p. 28). However, as identified in the rule finalized in 1994, USDA recommends that sites with higher scores be "regarded as most suitable for protection." Therefore, if an individual agency's identified site assessment procedures do not provide feasible alternatives to prevent farmland conversion, USDA assistance to the respective Federal agency could be terminated.

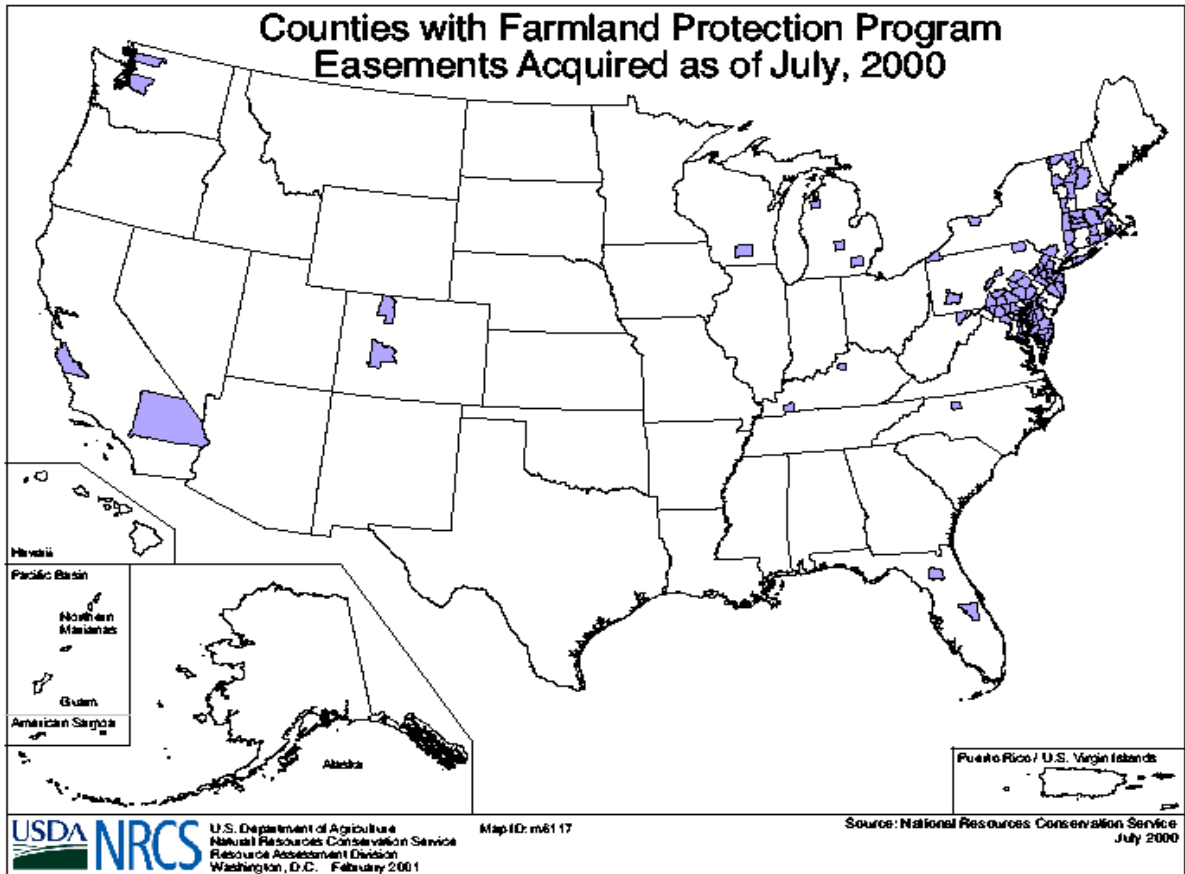
III. Federal, State, and local efforts to protect farmland

Recent Federal efforts to protect farmland include the Agricultural Risk Protection Act, which funded \$17.5 million in FY 2001 for the USDA Farmland Protection Program (FPP). The Program purchases conservation easements to protect the conversion of important farmland to nonagricultural use. In doing so, the FPP assists farmers in keeping their productive land in agriculture by providing matching funds to state, local, or tribal government entities and non-governmental organizations with existing farmland protection programs to purchase the conservation easements. Cooperating entities acquire, manage, and enforce the conservation easements and every protected farm operates under a conservation plan approved by the local conservation district. The FPP has permanently protected over 70,000 acres since the program's inception in 1996 (figure 8). Nationally, \$52.5 million has been obligated to state and local entities since establishment of the program in 1996.

During the summer of 2000, USDA's Advisory Committee on Farm and Forest Land Protection and Land Use and NRCS held a series of five public input forums titled "*Maintaining Agriculture and Forests in Rapidly Growing Areas.*" These listening forums were held: July 13, in Dekalb, Illinois; July 21, in Davis, California; July 31, in Seattle, Washington; August 7, in Atlanta, Georgia; and August 9, in Morristown, New Jersey. Participants included hundreds of farmers, forest owners, and other stakeholders who provided written or oral statements on their concerns over the loss of valuable farm and forest lands to rapid development and USDA's role in helping communities protect farm and forest lands. The report, titled *Maintaining Farm and Forest Lands in Rapidly Growing Areas* is available by contacting the USDA NRCS Farmland Protection and Community Planning Staff.

Another Federal effort to prevent farmland loss is the Farmland Information Center. Authorized under the FPPA and established in 1994, the Farmland Information Center is a joint project coordinated among the USDA National Agricultural Library, NRCS, and American Farmland Trust. The Farmland Information Center provides two services to the public: a farmland information library and a technical assistance service. The Farmland Information Library is an electronic library located at web site address: <http://www.farmlandinfo.org/>, that provides information about farmland protection programs, policies and activities to farmers, ranchers, farmland protection and conservation professionals, federal, state and local officials, and any citizen with an interest in farmland protection. In addition, the electronic library also offers information on agricultural research such as natural resources, sustainable development, farmland conservation, state and county information, and maps. It also offers a series of fact sheets to respond to frequently asked questions on farmland protection. The technical assistance service offered by the Center, monitors established farmland protection programs and reports on state and local initiatives and activities. In addition, the technical assistance service provides customized information packets to respond to the public's needs. During fiscal year 2000, the Farmland Information Center received approximately 360,000 hits for information.

Figure 8



Across the Nation, there exist a variety of forces making major impacts in land conversion. For example, recent studies show that in the United States, population grew from 150 to 250 million people between 1950 and 1990 and is expected to add another 150 million by 2050 (U.S. Bureau of the Census, 2000). Driving forces such as this, along with increased immigration and household formation, income growth, metropolitan expansion, infrastructure costs, and technology are challenging the ways State and local governments plan for land use, and manage growth. States are attempting to find ways to balance the need for sustainable development that adequately addresses growth pressures that transcend local boundaries, while maintaining a quality of life that provides key services to residents. In turn, some states have adopted “smart growth” strategies that actively direct transportation, infrastructure, and other resources to channel growth into appropriate areas (Heimlich and Anderson, 2001). As a result, twenty-seven states moved forward with initiatives to promote smart growth in 1999-2000 (Wells, 2001).

In the eastern part of the country, the State of Maryland enhanced its smart growth policies through the Rural Legacy Program. Established in June 2000, the Rural Legacy Program links protected environmental areas to others at the local, county, and state levels and plans to spend \$37 million to protect 15,000 acres, in addition to the 47,000 acres already preserved. In 2001, the State passed legislation that allowed for a “Green Print” strategy to be planned as a way to connect protected acres, and enhance areas' natural habitat. In the northeast, New Hampshire created the Land and Community Heritage Investment Program, a \$3 million program to

intended to preserve the state's open spaces. The State of New Jersey pledged to protect one million acres of open space and 500,000 acres of farmlands. In 2001, Pennsylvania set aside \$20 million to preserve 10,000 acres of farmlands. In April 2000, Georgia passed first time legislation, recommended by the Governor's Community Green Space Advisory Committee, that provides for specific counties to develop programs to permanently protect agricultural, forest, and natural lands constituting at least 20 percent of the county's geographic area (Wells, 2001). In the Midwest, Michigan proposed a state agricultural preservation fund for farmland preservation county grants as part of its tax cut package. Ohio passed a \$400 million bond initiative that includes farmland protection. The State of Colorado created a Commission on Saving Ranches, Farms, and Open Spaces in 1999, as part its initiative entitled *Smart Growth: Colorado's Future*. Among the twenty-seven states with initiatives promoting "smart growth" initiatives are Arizona, California, Connecticut, Delaware, Florida, Hawaii, Illinois, Kentucky, Maine, Massachusetts, Minnesota, New Jersey, New York, North Carolina, Oregon, Rhode Island, South Carolina, Utah, and Wyoming.

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